REGULATION (EEC) No 2629/73 OF THE COUNCIL

of 26 September 1973

establishing preferential tariffs in respect of certain textile products originating in developing countries

THE COUNCIL OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Economic Community;

Having regard to the proposal from the Commission;

Whereas, within the context of UNCTAD, the European Economic Community offered to grant tariff preferences on finished and semi-finished products coming from developing countries; whereas the preferential treatment proposed in that offer covers, generally speaking, all finished and semi-finished industrial products covered by Chapters 25 to 99 of the Brussels Nomenclature which originate in developing countries; whereas the preference consists in the granting of exemption from customs duties; whereas preferential imports are effected up to the level of ceilings calculated by value in respect of each product on the basis of factors which are uniform for all the products; whereas, in order that the preferences granted to the most competitive developing country or countries should be restricted and that a substantial quota share should be reserved for the least competitive, preferential imports from any one developing country in respect of a given product should not, as a general rule, exceed 50 % of the ceiling fixed for that product;

Whereas, in the offer made by the Community, the annual ceilings should ordinarily be calculated on the basis of the total value for 1968 of cif imports from the countries benefiting from this scheme, excluding those already enjoying various preferential tariff arrangements granted by the Community, increased by 5 % of the value of cif imports from the other countries and from countries already enjoying such arrangements;

Whereas, however, in respect of cotton textile products covered by the Long-term Arrangement regarding International Trade in Cotton Textiles, the offer made by the Community lays down that the preferences, in the form of duty-free ceilings ordinarily calculated according to the formula set out in the preceding recital, will be granted to the countries enjoying generalized preferences which are signatories to the Long-term Arrangement or possibly to those countries which undertake *vis-à-vis* the Community commitments similar to those existing under that Arrangement and for the duration of the said Arrangement (which expires on 30 September 1973); whereas it is apparent that only imports from these countries are to form the basis for calculating the abovementioned ceilings; whereas, with particular regard to the relation which Article 6 of the said Long-term Arrangement establishes between cotton products and substitute products, it appears justified in these circumstances and by virtue of the fact that a total suspension of customs duties is involved to include in the same scheme as that described above those substitute textile products given in the conditional list of partial and limited reductions of customs duties deposited with GATT by the Community during the last series of tariff negotiations; whereas, moreover, in view of the special nature which trade in the products concerned may have, it appears expedient to calculate in terms of tonnages the ceilings for preferential imports of such products;

Whereas the offer made by the Community includes a clause stipulating that the Community drew up the offer on the assumption that all the main industrialized countries which are members of the OECD would participate in granting preferences and would make similar efforts in this direction; whereas, moreover, it is evident from the conclusions worked out in UNCTAD that this offer, while being of a temporary nature, does not constitute a binding commitment and, in particular, may be withdrawn wholly or in part at a later date; whereas this possibility may be adopted *inter alia* with a view to remedying any unfavourable situations which might arise in the associated countries following the implementation of the generalized preference scheme;

Whereas tariff preferences have been applied as from the second half of 1971 under the conditions set out above, whereas application of the said preferences has been confined, in respect of the cotton textiles and substitute textiles concerned above, to the first nine months of 1973 by Council Regulation (EEC) No 2764/72 [1] of 19 December 1972 establishing preferential tariffs in respect of certain textile products originating in developing countries, the Long-term Arrangement regarding International Trade in Cotton Textiles being due to expire on 30 September 1973; whereas the said Agreement will be prorogued until the end of 1973; whereas these circumstances betoken renewed application of the

[1] OJ No L 296, 30. 12. 1972, p. 69.

said preferences, *pro rata temporis,* for the last quarter of 1973; and whereas with regard to the terms of the offer concerned, the abovementioned additional sum of 5 % may refer only to 1970;

Whereas it is expedient, therefore, in respect of the products referred to in Annex A which originate in the countries listed in Annex B, that the Community should allow, for each category of these products and for the last quarter of 1973, duty-free imports within the limits of the Community ceilings calculated in the manner set out above; whereas the benefit of such tariff exemption should be reserved for products originating in the countries under consideration, the concept of 'originating products' being determined in accordance with the procedure laid down in Article 14 of Council Regulation (EEC) No 802/68 (1) of 27 June 1968 on the common definition of the concept of the origin of goods; whereas charges against each of these ceilings must, as a general rule, come within a maximum Community amount of 50 % in respect of the products originating in any of the abovementioned countries;

Whereas, under these circumstances, these objectives may be reached by applying a method of administration based on the charging, at Community level, against the abovementioned ceilings and maximum amounts, of imports of the products concerned as and when these products are presented for customs clearance under cover of declarations that they have been entered into consumption and accompanied by a certificate of origin; whereas this method of administration must make provision for the reintroduction of Common Customs Tariff duties as soon as the said ceilings or maximum amounts are reached at Community level;

Whereas such method of administration calls for very close and particularly rapid cooperation between Member States and the Commission, which must, in particular, be able to observe the extent to which charges are made against the ceilings and maximum amounts and inform Member States thereof; whereas such cooperation should be particularly close in view of the need for the Commission to be able to take appropriate measures to reintroduce Common Customs Tariff duties either generally or individually, when any of the ceilings or maximum amounts is reached;

Whereas, since the ceilings concerned are valid until 31 December 1973 the system established could be amended under the provisions of Protocol No 23 annexed to the Act joined to the Treaty of Accession (2),

(1) OJ No L 148, 28. 6. 1968, p. 1.
(2) OJ Special Edition, 27. 3. 1972, p. 178.

HAS ADOPTED THIS REGULATION:

Article 1

1. From 1 October to 31 December 1973, the Common Customs Tariff duties on the products listed in Annex A shall be totally suspended, subject to the provisions of Article 2 and Article 4 (2) of this Regulation.

2. This suspension shall be enjoyed solely by products originating in the countries listed in Annex B. However, imports already enjoying exemption from customs duties under other preferential tariff arrangements shall not be charged against the ceilings specified in paragraph 3. For the purposes of the application of this Regulation, the concept of originating products shall be determined in accordance with the procedure laid down in Article 14 of Regulation (EEC) No 802/68.

3. Subject to the provisions of Article 2 and Article 4 (2) this suspension shall be granted, in respect of each category of products, within a Community ceiling which shall be equal to a quarter of the amount obtained by adding together imports in 1968, expressed in metric tons, of the products concerned from the countries listed in Annex B, excluding those already enjoying various preferential tariff arrangements granted by the Community, and 5 % of the tonnage of imports in 1970 from other countries and from countries already enjoying such arrangements.

4. Subject to the provisions of Article 2 and Article 4 (2), within each ceiling thus calculated, charges of products originating in any one of the countries listed in Annex B should not exceed a Community maximum amount equivalent to 50 % of this ceiling with the exception of certain products for which the maximum amount shall be reduced to the percentage shown in Annex A.

5. Any amendment to Annex B, in particular by the addition of new countries enjoying tariff preferences, may entail a corresponding adjustment to the Community ceilings and the maximum amounts referred to in paragraphs 3 and 4.

Article 2

1. As soon as the ceilings calculated in accordance with the provisions of Article 1 (3), which are laid down for Community imports of products originating in all of the countries referred to in Article 1 (2), are reached at Community level, the levying of Common Customs Tariff duties on imports of the products in

question from all the countries concerned may at any time be reintroduced until the end of the period referred to in Article 1 (1).

2. As soon as the maximum amounts calculated in accordance with the provisions of Article 1 (4), which are laid down for Community imports of products originating in each of the countries referred to in Article 1 (2), are reached for any one of these countries at Community level, the levying of the Common Customs Tariff duties on imports of the products in question from the country concerned may at any time be reintroduced until the end of the period referred to in Article 1 (1).

Article 3

1. Imports of the products in question shall be actually charged against the Community ceilings and maximum amounts as and when the products are presented for customs clearance under cover of declarations that they have been entered into consumption, and provided that they are accompanied by a certificate of origin pursuant to the rules laid down in Article 1 (2).

2. An item of goods may be charged against a ceiling or maximum amount only if the certificate of origin referred to in paragraph 1 is submitted before the date on which the levying of duties is reintroduced.

3. The extent to which the ceilings and maximum amounts have been actually used up shall be recorded at Community level on the basis of the imports charged in the conditions laid down in paragraphs 1 and 2.

Article 4

1. The Commission, in close cooperation with the Member States, shall take all necessary measures to ensure that the above provisions are applied.

2. The Commission shall reintroduce the levying of Common Customs Tariff duties in respect of all the countries referred to in Article 1 (2) or in respect of any one of them by means of a Regulation in the conditions laid down in Article 2 (1) and (2).

Article 5

Member States shall inform the Commission at regular intervals of imports of the products in question actually charged against the Community ceilings and maximum amounts laid down in Article 1 (3) and (4).

Article 6

The above provisions may be amended under the provisions of Protocol No 23 annexed to the Act joined to the Treaty of Accession.

Article 7

This Regulation shall enter into force on 1 October 1973.

This Regulation shall be binding in its entirety and directly applicable in all Member States.

Done at Brussels, 26 September 1973.

For the Council

The President

I. NØRGAARD

ANNEX A

List of products originating in developing countries to which the Generalized Tariff Preferences for certain textile products will apply

CHAPTER 54	
54.05	Woven fabrics of flax or of ramie
CHAPTER 55	
55.05	Cotton yarn, not put up for retail sale:
	A. Multiple or cabled, finished, in balls or on cards, reels, tubes or similar supports, of a weight (including support) not exceeding 900 g
	B. Other:
	I. Measuring, per simple yarn, 120 000 m or more per kg
55.06	Cotton yarn, put up for retail sale
55.07	Cotton gauze
55.08	Terry towelling and similar terry fabrics, of cotton
55.09	Other woven fabrics of cotton:
	A. Containing 85 % or more by weight of cotton:
	ex I. Of a width of less than 85 cm:
	— other than raw cotton (1)
	B. Other
CHAPTER 58	
58.04	Woven pile fabrics and chenille fabrics (other than terry towelling or similar terry fabrics of cotton falling within heading No 55.08 and fabrics falling within heading No 58.05)
58.10	Embroidery, in the piece, in strips or in motifs:
	B. Other
CHAPTER 60	
60.01	Knitted or crocheted fabric, not elastic nor rubberized:
	B. Of man-made fibres
	C. Of other textile materials
ex 60.02	Gloves, mittens and mitts, knitted or crocheted, not elastic nor rubberized
60.04	Undergarments, knitted or crocheted, not elastic nor rubberized:
	A. Of cotton (1)

(1) For products falling within this subheading the maximum Community amount referred to in Article 1 (4) of this Regulation is reduced to 30 %.

60.05	Outer garments and other articles, knitted or crocheted, not elastic nor rubberized: A. Outer garments and clothing accessories ex II. Other ex B. Other
60.06	Knitted or crocheted fabric and articles thereof, elastic or rubberized (including elastic knee-caps and elastic stockings) A. Fabric

CHAPTER 61

61.01	Men's and boys' outer garments
61.02	Women's, girls' and infants' outer garments
61.03	Men's and boys' undergarments, including collars, shirt fronts and cuffs
ex 61.04	Women's, girls' and infants' undergarments
61.05	Handkerchiefs

CHAPTER 62

62.01	Travelling rugs and blankets: B. Other: I. Of cotton
62.03	Sacks and bags, of a kind used for the packing of goods: B. Of other textile materials: I. Used: ex b) Other: — of cotton ex II. Other: — of cotton (1)
62.04	Tarpaulins, sails, awnings, sunblinds, tents and camping goods

(1) For products falling within this subheading the maximum Community amount referred to in Article 1 (4) of this Regulation is reduced to 30 %.

ANNEX B

List of developing countries benefiting under the Generalized Tariff Preferences for certain textile products

Afghanistan
Argentina
Bangladesh
Colombia
Egypt, Arab Republic of
El Salvador
India
Jamaica
Korea, Republic of (South Korea)
Mexico
Pakistan
Philippines
Thailand